



In This Issue

- Court Rules Transportation Funds Transferred Illegally
- Airline Customer Satisfaction Falls to Four-Year Low
- Maryland Praised for Stimulus Spending
- New Airplanes to have Air Bags, Stronger Seats
- EPA Reversal Clears Way for States' Emissions Limits
- County Loses \$1M in Federal Grant Money
- Texas Lawmakers Approve Two out of Three in Special Session

Court Rules Transportation Funds Transferred Illegally

Los Angeles Times - June 30, 2009

California - Billions of dollars have been illegally siphoned away from mass transit by California officials, according to a state appeals court ruling this week. The ruling by the Third District Court of Appeal comes as welcome news to beleaguered transit and bus lines that have been cutting service, hiking fares and laying off workers.

"This ruling is a significant victory for all Californians, and especially for low-income communities," said Guillermo Mayer, an attorney with Public Advocates. "Transit operators expected to lose this money every single year for as long as the state needed it."

The decision would make the state liable for \$2.5 billion in transfers made over the past two years, said H.D. Palmer, a spokesman for the Department of Finance. An additional \$1 billion in gas tax revenue was expected to be diverted from transit agencies to help the state close the \$24 billion deficit in the 2009-10 budget under consideration in the Legislature.

"You bet we're gonna appeal," Palmer said, adding that the state would seek an immediate stay of the decision pending the appeal.

Three years ago, California residents voted to set aside the sales tax on gasoline for transportation needs. The Sacramento Appeals court said "we conclude the funds the voters intended for mass transportation to mean public transportation or public transit," and using those funds to pay off bond debts or general fund needs "is invalid."

Airline Customer Satisfaction Falls to Four-Year Low

USA Today – June 30, 2009

Customer satisfaction ratings for airlines have plummeted for the third year in a row, reaching a four-year low in 2009, according to a J.D. Power and Associates report released Tuesday. Despite improvements to landing flights on time this year, customers remain dissatisfied with in-flight services, flight crews and costs and fees. The report cited Department of Transportation data stating the overall rate of on-time arrivals has increased by more than five percentage points from 2008 to 78% in 2009.

“Any improvements in customer satisfaction are being offset by passenger displeasure with cutbacks on in-flight amenities, increases in fees and attitudes of flight crews,” said Dale Haines, senior director of the travel practice at J.D. Power and Associates, in a statement.

JetBlue was the top-ranking airline in the low-cost carrier segment for the fourth year in a row. In the legacy network carriers category, Alaska Airlines was the highest ranking for the second consecutive year, followed by Continental and Delta, respectively.

“Twenty-nine percent of overall satisfaction is driven by pricing and costing,” said Paula Sonkin, vice president for travel and real estate industries for J.D. Power and Associates. “Given the economy and the fact that 29% is the cost and all the fees... it’s not surprising that satisfaction went down again.”

Maryland Praised for Stimulus Spending

Baltimore Sun – June 30, 2009

Maryland received praise this week for its use of nearly \$225 million in federal stimulus funds from a report released by a smart growth advocacy group, saying the state’s choice to focus spending on highway maintenance projects which can be completed faster than new construction and create more jobs.

Maryland was among 10 states and the District of Columbia that decided to spend 100 percent of their stimulus money for road projects on existing infrastructure instead of adding new capacity, according to the report by Smart Growth America. The coalition promotes smart-growth policies that avoid urban sprawl and advocate transit-oriented, compact communities.

Gov. Martin O’Malley wanted the state transportation department to focus spending on smaller projects that could begin work quickly in all parts of the state. Maryland Department of Transportation spokesperson Erin Henson said there are some 19 projects worth \$43 million under way, and the state has given contractors the OK to start construction on 62 additional jobs, worth \$155 million.

Smart Growth America examined the \$26.6 billion in flexible transportation funding distributed to the 50 states and the District of Columbia, based on spending reported to the federal government June 1. The group found that states have spent roughly two-thirds of their stimulus dollars on

maintenance projects.

New Airplanes to have Air Bags, Stronger Seats

New York Times – June 29, 2009

WASHINGTON – Air safety regulators are increasingly changing their focus from avoiding a crash to surviving one. Beginning this fall, all new airplanes will be required to have seats that do not rip loose when subjected to stress up to 16 times to force of gravity. Previous regulations required seats to stay in place at stresses up to nine times the force of gravity. Some new seats will also be equipped with air bags.

The air bags and stronger seat combination mean that if an airplane hits the ground before the runway or rolls past the end of the runway and hits an object, "You're going to be conscious. You're going to have the opportunity to survive," said Bill Hagan, president of AmSafe, which makes the air bags.

The new rules have been gradually phased in, with all airplane models introduced after 1988 required to have the 16g seats. As of Oct. 27, new airplanes of models certified before 1988 must also have the new seats. Aircraft manufacturers have been producing new planes that comply with the new rule for awhile now, so the deadline is less of a change-over date than an actual milestone.

While older planes with the old seats are not affected by the new rules, those models are rapidly disappearing from flight service because they are less fuel-efficient than newer planes and airlines are using fewer planes as they cut service in the recession.

The 16g standard was chosen by safety regulators because a more severe deceleration is not survivable. The new rules were decided upon after officials found passengers could survive a crash if they were not crushed to death when seats ripped loose from the floor.



Given as much as I travel by air each week, the cynic in me reads the very first sentence of this article and wonders about that strategy—changing the focus from prevention to survival. Seems if we prevent crashes then surviving is not an issue. Sort of like being exposed to someone with H1N1 but don't worry, there's always Tamaflu to reduce your symptoms. When was the last time you saw someone floating in the water after a plane crashed grasping onto their seat cushion that "can be used a floating device in the event of a water landing." Seat cushions didn't help the passengers on the recent Air France crash in the Atlantic. Sounds like a better maintained air speed indicator might have been more important than airbags or seat cushions in that case. Prevention is the key. TW

EPA Reversal Clears Way for States' Emissions Limits

Houston Chronicle – June 30, 2009

WASHINGTON – California and 13 other states have been cleared to impose restrictions on

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greenhouse gas emissions for automobiles that exceed federal regulations under an Environmental Protection Agency decision to reverse a Bush administration ruling. In a move hailed by environmental advocates, the decision is in line with the Obama administration's plan for implementing new national standards for vehicle emissions, announced last month.

The plan is a result of negotiations with automakers, California and other states to delay any future propositions to tighten standards until 2017, and automakers agreed to halt court challenges. The plan was modeled after California's regulations to cut greenhouse gas emissions blamed for global warming by 30 percent by 2016. California's standards for tailpipe emissions will also be implemented in 13 states and the District of Columbia. New York, Washington and Connecticut are among the states slated to take on the regulations which will cover an estimated 40 percent of vehicles on U.S. roads, despite the ongoing efforts by the federal government to develop nationwide emissions limits.

The National Highway Traffic Safety Administration and the EPA are planning to soon kick off the process of establishing rules for national emissions limits, which they hope to complete by next March 30.



About 30 years ago California had their own vehicle "smog" equipment requirements. If you owned a car from another state and sold it in California you had to retrofit it to pass their emissions testing. Ultimately, their requirements became the national standard. Such is the ultimate outcome of this ruling—this will become the de facto standard for the nation. TW

County Loses \$1M in Federal Grant Money

The Daily World – June 30, 2009

MONTESANO – A Washington county has lost \$1 million in federal funding because it did not notify the public about a conflict of interest regarding a county employee who would benefit financially from the project. Grays Harbor County commissioners received formal notification last Friday that \$750,000 in economic stimulus funding and a separate \$250,000 federal grant had been revoked after a Federal Highway Administration investigation found the county had not followed proper procedures for the project.

"All of it's gone," said Lloyd Brown, state Department of Transportation spokesman. The funding would have helped pay for the \$2.5 million "13 corners" road project to realign and do paving work along the Wynooche-Wishkah Road corridor. The county will still receive \$1.44 million from a state grant for the project, and original plans called for overruns to come from the county road budget.

Following an anonymous citizen complaint in May, the FHWA began investigating whether the county provided adequate public notification over a conflict of interest with county road engineer Russ Esses. The Esses family sold a portion of right-of-way on land they owned along the realignment route. The county paid \$9,500 to Esses and his family after the contract was approved last summer.

County officials said they were aware of the conflict, but did not see it as improper because the

project was not specifically designed by Esses. He said he and two other county employees chose the route because it minimized wetland impact and had lower construction costs.

Texas Lawmakers Approve Two out of Three in Special Session

Houston Chronicle – July 2, 2009

AUSTIN, Texas – State legislators in Texas met this week in a special session called by Gov. Rick Perry to finish unresolved transportation issues including the renewal of five transportation agencies at risk of being shut down. Along with the agency's extensions, lawmakers also gave the state the OK under HB1 to issue \$2 billion in road bonds already approved by voters.

Lawmakers adjourned with the approval of two of the three measures on the agenda. The third issue left unresolved was the controversial proposal to extend transportation officials authority to enter contracts for privately operated toll roads.

Legislators removed a provision in HB1 to put the \$2 billion in bond dollars in a revolving fund, because some were concerned the money could then be loaned to toll agencies who could sell the project to a private company. The money will go to an existing infrastructure bank instead, which can parcel out the funding exclusively to government agencies for projects. They also added a provision to prevent the conversion of existing free lanes into toll lanes.

Gov. Perry said he was pleased that lawmakers passed the two bills in the two-day session.